



County of Los Angeles
CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

November 13, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS: LOS ANGELES COUNTY
WATERWORKS DISTRICT NO. 40, ANTELOPE VALLEY AGREEMENT FOR
PURCHASE AND SALE OF RECYCLED WATER
(SUPERVISORIAL DISTRICT 5)
(3 VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD ACTING AS THE GOVERNING
BODY OF THE LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40,
ANTELOPE VALLEY:**

1. Approve the Agreement for Purchase and Sale of Recycled Water and Related Facilities between the Los Angeles County Waterworks District No. 40, Antelope Valley and the County Sanitation Districts Nos. 14 and 20 of Los Angeles County.
2. Delegate the authority to the Director of Public Works or his designee to make minor amendments to and execute the Agreement for Purchase and Sale of Recycled Water and Related Facilities between the Los Angeles County Waterworks District No. 40, Antelope Valley and the County Sanitation Districts Nos. 14 and 20 of Los Angeles County.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to approve the attached Agreement for Purchase and Sale of Recycled Water (agreement) between the Los Angeles County Waterworks District No. 40, Antelope Valley (District) and the County Sanitation Districts Nos. 14 and 20 of Los Angeles County (Sanitation Districts), substantially in the form of

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

Attachment A, and authorize the Director of Public Works or his designee to execute the agreement. This agreement will provide the District with an option to purchase up to 13,500 acre-feet per year of tertiary-treated recycled water from the Sanitation Districts for distribution within its service area.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs that we provide Fiscal Responsibility (Goal 4). The proposed action will preserve limited potable water supplies and maximize the beneficial use of available recycled water supplies in the most cost-efficient manner.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund. As discussed in the agreement, the cost to purchase the recycled water from the Sanitation Districts will be built into the rate structure developed to bill the District's customers for their use of recycled water.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Sanitation Districts provide wastewater treatment and effluent management services for the City of Lancaster, the City of Palmdale, and adjacent areas within unincorporated Los Angeles County. These areas are served by the Sanitation Districts' Lancaster Water Reclamation Plant and the Palmdale Water Reclamation Plant. The Sanitation Districts are currently designing new treatment facilities that will provide tertiary treatment for all Lancaster Water Reclamation Plant wastewater by late 2010 and for all Palmdale Water Reclamation Plant wastewater by mid-2011.

On May 24, 2005, your Board authorized the collection of a water supply reliability fee by the District to fund the construction of a recycled water distribution system in the Antelope Valley. The Sanitation Districts must upgrade their treatment facilities to provide tertiary treatment for the wastewater, and the Districts must construct the recycled water distribution system before the proposed option under the agreement can be exercised.

The agreement has been approved as to form by County Counsel. The agreement permits the District to purchase a quantity of tertiary-treated recycled water not to exceed an annual amount of 13,500 acre-feet at the District's discretion. The term of this agreement shall be 25 years from the date of execution, unless sooner terminated by mutual written agreement signed by both parties.

ENVIRONMENTAL DOCUMENTATION

Because the recommended agreement is not a project under Section 15378b(4) of the California Environmental Quality Act, it is, therefore, not subject to the requirements of the California Environmental Quality Act. The recommended agreement provides the District the option to purchase tertiary-treated recycled water from the Sanitation Districts and, therefore, will not result in any commitment to any specific project that may result in a potentially significant impact on the environment.

The District is preparing an Environmental Impact Report for the completion of the recycled water distribution system that will serve tertiary-treated recycled water to its customers. The Environmental Impact Report will be submitted to your Board for approval, prior to the start of any construction or distribution of tertiary-treated recycled water and prior to any exercise of the District's option under the proposed agreement.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The agreement will provide the District with the option to purchase tertiary-treated recycled water from the Sanitation Districts for beneficial use in its service area and expand its available water supplies to meet projected water demands. The proposed action will not have any negative impacts on existing services or planned projects.

CONCLUSION

Upon approval, please return two adopted copies of this letter to the Department of Public Works, Waterworks Division.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:DLW
AA:cr

Attachment

c: County Counsel

AGREEMENT FOR PURCHASE AND SALE OF RECYCLED WATER
AND RELATED FACILITIES – LANCASTER WATER RECLAMATION PLANT AND
PALMDALE WATER RECLAMATION PLANT

This Agreement, between County Sanitation Districts Nos. 14 and 20 of Los Angeles County (the “Districts”) and the Los Angeles County Waterworks District No. 40, Antelope Valley (“County Waterworks”), takes effect on _____, 2007. The Districts and County Waterworks (the “Parties” or, individually, “Party”) recite the following facts:

RECITALS

A. The Districts are county sanitation districts under the County Sanitation District Act, Chapter 3, Part 3, Division 5 of the Health and Safety Code, § 4700 et seq.

B. The County Waterworks is a municipal water district under the County Waterworks District Law, Division 16 of the Water Code, § 55000 et seq.

C. The Districts provide wastewater treatment and effluent management services for the City of Lancaster, the City of Palmdale and adjacent areas within unincorporated Los Angeles County. These areas are served by the Districts’ Lancaster Water Reclamation Plant (the "LWRP"), which is a secondary treatment plant permitted to treat up to 16.0 million gallons per day ("mgd"), and the Palmdale Water Reclamation Plant (the “PWRP”), which is a secondary treatment plant permitted to treat up to 15.0 mgd. Recycled water produced at the LWRP is currently used to irrigate fodder crops and to maintain habitat at Piute Ponds and adjacent impoundment areas. A side stream of up to 0.5 mgd of secondary-treated effluent undergoes tertiary and disinfection treatment at the District's Antelope Valley Tertiary Treatment Plant (the "AVTTP") and is conveyed to Apollo Park. Recycled water produced at the PWRP is currently used to irrigate fodder crops at the adjacent effluent management site (EMS).

D. The Districts are currently designing new treatment facilities that will provide tertiary treatment for all LWRP wastewater by late 2010, and will divert effluent from Rosamond Dry Lake in accordance with applicable regulatory requirements. The Districts are also currently designing new treatment facilities that will provide tertiary treatment for all PWRP wastewater by mid 2011. Disinfected tertiary effluent produced from the Districts' facilities will meet regulatory standards under Title 22 of the California Code of Regulations ("Title 22").

E. The Districts are authorized to sell or beneficially use any disinfected tertiary-treated recycled water recovered from the operation of the LWRP and PWRP.

F. Recycled water produced at the LWRP and PWRP is and will be suitable for a number of non-potable uses, including landscape and agricultural irrigation and industrial process water.

G. County Waterworks is authorized, among other things, to acquire and distribute any water, including recycled water, for the beneficial uses of its customers in the Antelope Valley.

H. County Waterworks is currently preparing environmental documentation for a regional distribution system that will provide recycled water to users in the cities of Lancaster, Palmdale, and unincorporated areas of the Antelope Valley. The North Los Angeles/Kern County Regional Recycled Water Project will connect to both the LWRP and PWRP.

I. The Districts and County Waterworks desire to provide for the long-term use of recycled water, thereby conserving potable water and natural resources.

J. County Waterworks is willing to acquire from Districts, and the Districts are willing to supply to County Waterworks, a portion of the recycled water produced at the LWRP and PWRP on the terms set forth in this Agreement.

The Parties therefore agree as follows:

AGREEMENT

1. Facilities for Delivery and Distribution of Recycled Water and Conveyance

1.1 County Waterworks agrees to purchase recycled water from the Districts under the terms set forth in this Agreement.

1.2 The Districts agree to provide, at no cost to County Waterworks, a mutually acceptable point of connection ("Point of Connection") on the site of the LWRP and on the site of the PWRP. In order to facilitate the operation of the LWRP, PWRP, and related facilities, the Chief Engineer and General Manager of the Districts (the "Chief Engineer") or his or her authorized designee may from time to time change the location of the point of connection upon delivering to County Waterworks sixty (60) days' advance written notice thereof in

accordance with Section 12 of this Agreement. The District shall bear costs attributable to the change in the point of connection as required by the Chief Engineer. Should County Waterworks require an acceptable change in the point of connection, County Waterworks shall bear such costs.

1.3 County Waterworks agrees to be responsible for all costs to construct, at no cost to the Districts, any and all additional facilities required to deliver and distribute the recycled water purchased by County Waterworks, including pumps, pipelines, meters, controls, and other facilities. County Waterworks further agrees to bear all operation and maintenance costs of all of its delivery and distribution facilities. County Waterworks will have the sole and absolute discretion to determine the facilities to be constructed, provided no such facilities are located on property owned or controlled by either of the Districts.

1.4 The Chief Engineer, in his or her sole and absolute discretion, may permit some of County Waterworks delivery facilities to be located on the site of the LWRP and/or PWRP as a matter of convenience and without a fee from County Waterworks for use of Districts' property. Notwithstanding the grant of prior approval and consent by the Chief Engineer, within a time frame acceptable to the Chief Engineer, County Waterworks agrees to relocate such facilities to a location either off the Districts' property or, if on the Districts' property, in a manner and at a location acceptable to the Chief Engineer. County Waterworks agrees to pay all costs of such relocation.

2. Quantity of Water to be Purchased by County Waterworks

2.1 The quantity of water subject to this Agreement shall be as follows:

2.2 Except as otherwise provided herein, County Waterworks is afforded an option, exercisable at the start of each fiscal year (July 1 through June 30) for the term of this agreement to buy, at County Waterworks' sole and absolute discretion, for that fiscal year only, a quantity of recycled water not to exceed 13,500 acre-feet at the price set forth in Section 5 below. This option commences at the start of the fiscal year following the first delivery of recycled water.

2.3 To preserve the option to buy as set forth in Section 2.2, County Waterworks must meet the following conditions:

2.3.1 Beginning July 1 of each of the first two fiscal years after the LWRP produces tertiary-treated recycled water meeting the water quality requirements in Section 4.1 ("initial delivery date"), County Waterworks must take delivery of and pay for not less than 100 acre-feet of recycled water per year.

- 2.3.2 Beginning at the start and during the third fiscal year following the initial delivery date and for two additional fiscal years thereafter, County Waterworks must take delivery of and pay for a minimum of 750 acre-feet per year or pay the price thereof as determined pursuant to Section 5.
- 2.3.3 Beginning at the start of the sixth fiscal year following the initial delivery date, County Waterworks must take delivery of and pay for 750 acre-feet per year for the term of this Agreement.
- 2.3.4 If County Waterworks fails to meet any of the above requirements of this Section 2.3, the sole remedy of the Districts shall be to terminate the County Waterworks' option set forth above under Section 2.2; County Waterworks shall not be liable to the Districts for any damages or other compensation of any kind whatsoever resulting from such failure.
- 2.3.5 For determining compliance with this Section 2, the annual quantity of recycled water shall be the summation of individual water meter readings from all users taking delivery of recycled water from Phase 1A and 1B of the Final Facilities Planning Report for the Antelope Valley Recycled Water Project, prepared by Kennedy/Jenks Consultants dated December 27, 2005, in the general alignment of Division Street south of Avenue "E".

2.4 The Districts may negotiate with any third party for the sale or transfer of recycled water from the LWRP and/or PWRP as long as the sale or transfer does not infringe upon County Waterworks' option to buy 13,500 acre-feet per year as established in Section 2.2. The Districts will notify County Waterworks of any such proposed agreement.

2.5 If, at any time the Districts propose to sell to a third party a quantity of recycled water that, in the reasonable judgment of the Chief Engineer, may prevent the Districts from furnishing 13,500 acre-feet per year of recycled water (or any greater quantity agreed under Section 2.7) to County Waterworks during the term of this Agreement, the Districts shall notify County Waterworks of the proposed agreement. County Waterworks shall then advise Districts in writing, within 90 days from the date of receipt of the Districts' notice, if County Waterworks has an objection to the possible third party contract. No timely response indicates that there is no objection. The Districts will not enter into the third party contract if County Waterworks can reasonably demonstrate to the Chief Engineer that it has an identified use for the unused portion of the 13,500 acre-feet per year in the subsequent two-year period.

2.6 County Waterworks' option to buy 13,500 acre-feet per year may be reduced if the Chief Engineer determines that County Waterworks has failed to develop uses for the recycled water by the start of the tenth fiscal year following the initial delivery date of this Agreement.

2.7 If, at any time during the term of this Agreement, County Waterworks can demonstrate that it has a need for a greater quantity of recycled water than that to which it is entitled pursuant to Section 2.2 herein, County Waterworks may request that the rights set forth in Section 2.2 be increased. Districts shall grant such increase provided that at said time such a quantity is available from the LWRP and/or PWRP and is not already contracted for by a third party, is not required for maintenance of Piute Ponds or Apollo Lakes, and is not required for use at District's owned properties at the LWRP and/or PWRP. County Waterworks must take delivery of and pay for the additional quantity of recycled water under the terms of this Agreement within ninety (90) days after approval of the request.

2.8 County Waterworks may negotiate with any third party for the sale or other transfer of recycled water it has purchased from the Districts pursuant to this Agreement. Except as may be set forth elsewhere in this Agreement, County Waterworks agrees to bear all construction, operation, and maintenance costs for all delivery and distribution facilities related to the sale or other transfers of recycled water to third parties and all legal and regulatory responsibility associated with its reuse, recognizing that the Districts retain the responsibility to meet legal and regulatory requirements at the points of connection as set forth below.

2.9 County Waterworks shall provide recycled water to the cities of Lancaster and Palmdale for use on property located within either city's boundaries at the annual unit price of recycled water set forth in Section 5, plus a proportionate share of the actual costs of capital recovery and operations and maintenance for the regional recycled water distribution system.

2.10 County Waterworks agrees to use its best efforts to provide Districts by July 1 of each year this Agreement is in effect, the projected annual purchases for the following three calendar years commencing on the first of January of each such year to aid the Districts' recycled water management program. Without affecting County Waterworks' option set forth above, County Waterworks recognizes that the Districts may not be able to provide recycled water in amounts in excess of the three calendar year projections.

3. Contractual Commitments and Limitations

3.1 County Waterworks understands and acknowledges that the Districts are responsible for the operation of the Districts' sewerage system and effluent management system in a manner that the Chief Engineer determines to be most beneficial to its users and the public. The rights of County Waterworks to receive recycled

water under this Agreement pertain only to the recycled water that actually is produced at LWRP and/or PWRP. Nothing in this Agreement shall be construed to limit in any manner the District's right to operate LWRP and PWRP at such levels as the Chief Engineer determines in his or her sole and absolute discretion, to be appropriate, or to discontinue the operation of LWRP and/or PWRP. Accordingly, County Waterworks agrees that its rights to receive recycled water under this Agreement shall be subordinate to and conditioned by the rights, responsibilities, and discretion of the Districts, acting through its Chief Engineer, to operate and manage its sewerage system, including the LWRP, PWRP and effluent management systems, in the best interests of the Districts, and in compliance with all applicable legal and regulatory requirements.

3.2 The Parties hereby recognize the social benefit to be derived from maximizing the beneficial use of recycled water. The Districts have in the past and intend in the future to enter into contracts for sale of recycled water from LWRP and PWRP to other parties. These contracts shall not impair the rights of County Waterworks except as provided in Section 2 hereof. However, circumstances beyond the control of the Districts may result in a temporary or permanent decrease in recycled water available to County Waterworks. In the event of such decreases, the Chief Engineer shall allocate the supply of recycled water in the following manner: The Chief Engineer shall first insure that the Districts receive an adequate supply to meet their own needs at the LWRP, at the PWRP, at any other facilities of the Districts, and at Piute Ponds and Apollo Lakes. The Chief Engineer shall then allocate the remaining amount of reduced recycled water discharge among the County Waterworks and the other third-party users of recycled water in proportion to their actual use during the previous fiscal year. The resulting reduced availability, as determined by the Chief Engineer, will continue in effect until such time as the LWRP and/or PWRP return to previous operational levels.

4. Quality of Water to be Purchased by County Waterworks; Waivers and Indemnification

4.1 The Districts agree to supply recycled water from the LWRP and/or PWRP that meets the disinfected tertiary recycled water standard as defined in Section 60301.230 of the March 20, 2001 version of Title 22, Division 4, Chapter 3 of the California Code of Regulations, attached as Exhibit A ("Tertiary Treatment Standards"). The Parties recognize that the California Regional Water Quality Control Board – Lahontan Region (Regional Board) or other regulatory agencies that have legal authority to establish requirements for use of recycled water may require a level of treatment higher than disinfected tertiary treatment for various types of reuse. In such event, the Districts shall not have any duty to modify the LWRP, PWRP, or related facilities, unless the Chief Engineer, in his or her sole discretion, agrees to such modification. County Waterworks may, at its discretion and expense, undertake steps to provide a higher level of treatment to comply with such requirements. If regulatory agencies mandate a higher level of treatment for use of recycled water than the Tertiary Treatment Standards and neither Party elects to construct facilities to provide a higher level of treatment by the effective date of the new requirements, either Party may unilaterally terminate this Agreement.

4.2 The points at which the recycled water provided by the Districts shall meet the water quality standards described above shall be (1) immediately following the final treatment process at the LWRP and (2) immediately following the final treatment process at the PWRP.

4.3 Both Parties recognize that factors beyond the control of the Districts could cause operational difficulties or other constraints at the LWRP and/or PWRP resulting in the production of recycled water that does not meet the current Water Recycling Requirements (WRRs) established by the Board or other regulatory agencies for County Waterworks intended use. The Chief Engineer, in his or her sole and absolute discretion, may temporarily suspend delivery of recycled water to County Waterworks from the LWRP and/or PWRP under this Agreement. The Districts shall use their best efforts to re-establish the production of recycled water meeting the requirements as set forth above. Subject to the Districts making their best efforts to re-establish service, County Waterworks hereby releases the Districts and each of them from any and all claims it may have arising out of any such interruption.

4.4 County Waterworks agrees to indemnify, defend, and hold harmless the Districts and each of them, and their respective officers, directors, agents and employees, from and against any claims, actions, suits or liability, including attorneys' fees and expenses which are caused by the County Waterworks' use of recycled water after each Point of Connection.

The Districts agree to indemnify, defend and hold harmless County Waterworks and each of its officers, supervisors, agents and employees, from and against any claims, actions, suits, or liability, including attorneys' fees and expenses which are caused by the Districts' production and handling of recycled water before each Point of Connection.

The foregoing indemnified obligations shall include, but not be limited to, causes of action based on strict liability for defective products, breach of warranty, strict liability for ultrahazardous activities, dangerous condition of public property, inverse condemnation, trespass, nuisance and negligence.

4.5 County Waterworks understands and acknowledges that the Districts, as the entities holding the WRRs for the LWRP and PWRP, may be subject to monetary fines or penalties imposed by the Board for violations of the WRRs. If the District becomes the responsible party in an action resulting in a fine or penalty, the Districts agree to be financially responsible for the payment of any such fine or penalty. If the Chief Engineer and the Director of the Department of Public Works of the County of Los Angeles or his/her designee (the "Director of Public Works") determine that County Waterworks is the party responsible for any action resulting in a fine or penalty, County Waterworks agrees to reimburse the Districts for the total amount of any such fine or

penalty within five (5) business days of receiving notice thereof under Section 12 of this Agreement. If the Chief Engineer and the Director of Public Works determine that a third-party who has purchased recycled water from County Waterworks is the responsible party for any action resulting in such a fine or penalty, County Waterworks agrees to reimburse the Districts one half of the Districts' costs expended in any legal or other effort to recover for the Districts all or a part of the fine or penalty imposed against the Districts by the Board for such action. Should there be recovery from any third party, the amount will first be used to repay the Districts for the fine or penalty, and the remainder will be shared equally between the Parties.

5. Annual Unit Price of Recycled Water

5.1 For the term of this Agreement, the annual unit price to be paid by County Waterworks for each acre-foot of recycled water provided by the Districts to County Waterworks under the terms of this Agreement shall be the greater of (a) or (b) below, but not to exceed (c) below,

- (a) thirty percent (30%) of the average unit cost of operation and maintenance of the LWRP and PWRP during the fiscal year in which the recycled water was received (“30% O&M”), rounded to the nearest cent; or
- (b) one-half of the result determined by subtracting (i) County Waterworks costs, as defined below, during the fiscal year divided by the total amount of recycled water, in acre-feet, delivered during the fiscal year, from (ii) the Water Rate, as defined below (“Shared Savings”).
- (c) in no event shall the annual unit price of recycled water under this Agreement exceed one hundred percent (100%) of the average unit cost of operation and maintenance of the LWRP and PWRP.

5.2 For each of the first ten fiscal years after the initial delivery date, a fifteen percent (15%) discount shall be applied to 1000 AFY.

5.3 For the purposes of this Agreement, the alternative water supply for County Waterworks shall be defined as the blend of the following sources of water:

- (a) State Water Project treated water, as purchased from wholesalers,
- (b) groundwater pumped from the Antelope Valley groundwater basins, which costs include, but are not limited to, energy costs, lease costs and replacement water and any other related fees, and
- (c) water retrieved from groundwater banking projects.

The Water Rate shall be calculated by determining the flow-weighted costs of County Waterworks alternative water supply defined in Sections 5.2 (a) and (b) above using the relative percentages and unit rates of each alternative water supply used by County Waterworks during the fiscal year in which the recycled water was delivered, with the result of this calculation multiplied by ninety percent (90%). County Waterworks shall notify the Districts of the amount of this calculated Water Rate within forty-five (45) days of the end of each Districts' fiscal year.

For the purposes of this Agreement, County Waterworks costs shall be defined as all costs incurred by County Waterworks, properly allowable under generally-accepted accounting principles, attributable to the County Waterworks recycled water distribution system, including but not limited to: capital costs (excluding depreciation), right-of-way acquisition costs, reasonable administration and special program costs related to the use of recycled water, pump station, reservoir and pipeline replacement and maintenance costs, energy cost and all economic benefits realized through low interest loans, investment earnings on debt service funds, rebates, grants and other subsidies obtained by County Waterworks from external sources to defray the cost of providing recycled water and/or constructing reclamation facilities.

For the purposes of this Agreement, the average unit cost of operation and maintenance shall be determined on the basis of the Districts' accounting and other regularly-maintained records and information, and shall be arrived at by dividing the total operation and maintenance costs of the LWRP and PWRP, excluding the costs for solids treatment/disposal and effluent disposal, by the number of acre-feet of treated effluent produced by these two plants.

The Districts shall have the right to audit the relevant books, accounts, and records of County Waterworks during normal business hours upon at least forty-eight (48) hours prior notice to County Waterworks. County Waterworks shall have the right to audit the relevant books, accounts, and records of the Districts during normal business hours upon at least forty-eight (48) hours prior notice to the Districts.

5.4 County Waterworks shall pay to the Districts the total operation and maintenance costs of the recycled water delivery and distribution facilities located on the Districts' property that are operated or maintained by the Districts on behalf of County Waterworks. The operation and maintenance costs shall be based on the Districts' books, accounts and records, and determined in accordance with generally-accepted accounting principles.

5.5 In the event that the Districts negotiate an agreement with any third party for the sale or transfer of recycled water from the LWRP and PWRP at a price less than set forth in this Section 5, the Districts shall reduce County Waterworks' annual unit price of recycled water to the lower value for a volume of recycled water

equal to the amount sold or transferred to the third party. Districts shall also offer terms and conditions included in the third party agreement to County Waterworks.

6. Payment for Recycled Water

6.1 The Districts agree to invoice County Waterworks on a quarterly basis for the cost of the recycled water purchased by County Waterworks and for all recycled water delivery and distribution facilities operation and maintenance costs incurred by the Districts on behalf of County Waterworks as specified in Section 5 above within ninety (90) days after the close of each Districts fiscal year.

6.2 In the event County Waterworks fails to pay the full amount of any invoice within sixty (60) days after mailing of invoice, interest shall accrue on the sum due at the rate of one (1) percent per month until full payment is made. In the event County Waterworks fails to pay the full amount of any invoice within 180 days, the Chief Engineer may, within five (5) business days following written notice under Section 12 of this Agreement, disconnect County Waterworks facilities at the points of connection, and may remove all of County Waterworks facilities located on the Districts' property. This remedy is in addition to all other remedies provided by law.

7. Metering and Measurement of Flows

7.1 County Waterworks agrees to install at its own expense a meter or meters of appropriate size and type at each Point of Connection for the purpose of measuring the quantity of recycled water delivered from the LWRP and PWRP under the terms of this Agreement. County Waterworks agrees to notify the Districts in writing of the total quantity of recycled water delivered each month. Such written notice shall be provided within thirty (30) days of the end of the month for which the report is being made.

7.2 County Waterworks hereby agrees to provide access to County Waterworks property and to require its customers to allow the Districts to enter upon all properties on which recycled water is used at any time for purposes of verifying compliance with requirements under Water Code Section 13523.1(b)(5).

8. Limitation of Use

8.1 County Waterworks understands and agrees that recycled water delivered from the LWRP and/or PWRP under the terms of this Agreement has limited uses, and County Waterworks agrees to use or sell this recycled water for only those uses or purposes which are legally permissible under the then current Districts' "Ordinance Providing for the Establishment and Enforcement of Regulations for Recycled Water Users" for

District No. 14 and the Districts' "Ordinance Providing for the Establishment and Enforcement of Regulations Pursuant to Water Recycling Requirements for Recycled Water Users" for District No. 20 (Ordinances), the laws of the State, the then current version of the State Department of Public Health's (the "Department") Water Recycling Criteria contained in Title 22, Division 4, Chapter 3 of the California Code of Regulations, the most recent WRRs issued by the Board and the directions of any and all regulatory agencies with appropriate jurisdiction.

Unless required by law, the Districts agree not to amend or modify the Ordinances or related regulations in any manner that would contradict this Agreement without prior written approval of County Waterworks, not to be unreasonably withheld. Notwithstanding the foregoing, if County Waterworks does not approve new Ordinances or regulations, County Waterworks shall remain obligated to comply with the then existing Ordinances and regulations.

8.2 County Waterworks agrees to provide by agreement, ordinance, or other such administrative mandate, at County Waterworks discretion, that any and all sites that use recycled water from the LWRP and PWRP do so in accordance with the pertinent criteria for such use mandated by the Department and/or other regulatory agencies, including the Districts, with appropriate jurisdiction, and that the sites using recycled water do not constitute a nuisance. County Waterworks further agrees to perform or cause to be performed periodic inspections of these sites, including cross-connection shut down tests, when required, in accordance with the California Water Code, the most recent version of the Department's Water Recycling Criteria contained in Title 22 of the California Code of Regulations, and directives from regulatory agencies with appropriate jurisdiction. County Waterworks shall provide copies of all such inspection reports to the Districts in a timely manner.

8.3 Other than the WRRs, County Waterworks agrees to obtain all necessary permits and approvals required by law for the County Waterworks construction of facilities and use of recycled water after each Point of Connection from the appropriate regulatory agencies, including the Department and the Regional Board and any applicable Ordinances enacted by the Districts. To the extent required by law, construction of recycled water distribution facilities, both in public right-of-way and on private or public property, must be inspected and approved by the County Department of Public Health. The Districts have been issued a master permit from the Regional Board that exclusively covers recycled water from the LWRP used in the City of Lancaster's Division Street Corridor Recycled Water Project. In the event that such a permit is applicable to County Waterworks' recycled water projects, the Districts will seek to have the County Waterworks recycled water uses covered by any such permit. The Districts agree to be the responsible party in charge of maintaining the master permit and WRRs in full force and effect, at the Districts' sole cost and expense, and to assist the County Waterworks with document preparation and submittal as may be necessary to obtain all other required permits.

8.4 Any new or extended portion(s) of County Waterworks recycled water distribution system must be first approved by the Districts, which approval shall not be unreasonably withheld, the Department and the Regional Board before deliveries of recycled water through that portion may commence. The Districts shall cooperate with County Waterworks to allow it to obtain said approvals and if needed request revisions to the WRRs. County Waterworks shall submit to Districts a "Report of Recycled Water Use" in accordance with the provisions of the WRRs. County Waterworks and the Districts agree to cooperate in order to prepare and submit an appropriate Engineering Report detailing the new or extended distribution system for approval by the Department and the Regional Board.

8.5 County Waterworks agrees to notify the Districts in the event that County Waterworks experiences a spill of recycled water that exceeds fifty thousand (50,000) gallons, as required by California Water Code §13529.2 or such lesser quantity as may from time to time be legally required to be reported. Such notification shall be by telephone within twenty-four (24) hours of knowledge of the spill, with a written report to follow within two (2) business days. Such written report must be provided by both telephone facsimile and electronic mail to both the Districts' Monitoring Section Head and Water Recycling Coordinator. Spills below 50,000 gallons but above the incidental runoff volumes shall also be reported to the Districts. Per the State Water Resources Control Board, incidental runoff refers to small amounts of runoff from intended recycled water use areas, over-spray from sprinklers that drifts out of the intended use area, and overflows of ponds that contain recycled water during storms.

8.6 County Waterworks agrees to comply with the then current Ordinances, included in this Agreement as Exhibit B, as modified from time to time by the Chief Engineer subject to provisions of Section 8.1 above.

8.7 County Waterworks agrees to comply with the then current "Requirements for Recycled Water Users", included in this Agreement in draft form as Exhibit C, as modified from time to time by the Chief Engineer subject to provisions of Section 8.1 above.

9. Duplication of Services

9.1 The Districts agree not to serve any recycled water from the LWRP or PWRP on a retail basis within the County Waterworks service area. Nothing herein shall preclude the Districts from providing recycled water to third parties that are authorized to sell or otherwise transfer recycled water to Piute Ponds, Apollo Lakes, or to agricultural areas developed and operated by the Districts or by its contract farmer(s).

9.2 County Waterworks agrees to waive and release all claims it may have or that may arise against the Districts for service duplication, as provided for in sections 1501 et seq of the California Public Utilities Code, in connection with the Districts' execution of any recycled water agreements with the City of Lancaster, the City of Palmdale, Palmdale Water District, or other water purveyors and not to seek any damages, compensation or reimbursement for those portions of its facilities which are made inoperative, reduced in value, or rendered useless as a result thereof.

10. Term

10.1 The term of this Agreement shall be twenty-five (25) years from the date of execution, unless sooner terminated by mutual written agreement signed by both Parties. The Parties agree that any portion of this Agreement may be modified by written amendment at any time by mutual agreement of the parties.

10.2 Subject to the terms of this Section 10.2, the Districts grant to County Waterworks a one-time option to extend the term of this Agreement for a period of an additional twenty-five (25) years from the termination date set forth in Section 10.1 (the "Termination Date"). Any extended term of this Agreement will be subject to a revised pricing policy, rate structure, or other method employed to determine the price of the Districts' recycled water at the time County Waterworks exercises its option. To exercise this option, County Waterworks must not be in default of any of the provisions of this Agreement and must deliver written notice of its exercise of the option to the Chief Engineer in the manner specified in Section 12 of this Agreement not earlier than two (2) years nor later than one (1) year prior to the Termination Date. If County Waterworks exercises its option to extend the term of this Agreement, County Waterworks shall maintain its entitlement to recycled water produced at the LWRP and/or PWRP, as set forth in Section 2 above. Subject to the above provisions, any and all of the remaining terms and conditions of this Agreement, including price, shall be subject to renegotiation and the consent of both parties. Such negotiations shall be conducted reasonably and in good faith, provided, however, that the failure to arrive at mutually agreed upon terms by the Termination Date will result in the termination of this Agreement on such Date.

11. Assignments

11.1 Subject to Section 2.8 above, neither party may transfer or assign any of its rights under this Agreement without the prior written consent of the other party, which consent may be withheld in the sole and absolute discretion of either party.

12. Notices

All notices given pursuant to this Agreement shall be addressed to the Districts or County Waterworks as set forth below or as the Districts or County Waterworks may hereafter designate in writing, and shall be sent through the United States Mail, duly registered or certified, return receipt requested, with postage prepaid thereon, or by any other method providing positive proof of delivery.

TO DISTRICT

Chief Engineer and General Manager
County Sanitation Districts of Los Angeles County
Post Office Box 4998
Whittier, CA 90607-4998

TO LOS ANGELES COUNTY WATERWORKS DISTRICT

Director of Public Works
County of Los Angeles
Department of Public Works
P.O. Box 1460
Alhambra, CA 91802-146

13. General Provisions

13.1 Integration. This Agreement, supersedes any and all other agreements, either oral or in writing, between the Parties with respect to the subject matter herein. Each Party to this Agreement acknowledges that no representation by either Party, which is not embodied in this Agreement, shall be valid and binding. Any modification of the Agreement shall be effective only if it is in writing and signed by both Parties.

13.2 Interpretation. Each Party has received independent legal advice from its attorneys with respect to the advisability of executing this Agreement and the meaning of the provisions hereof. This Agreement has been drafted through a joint effort of the Parties and their counsel and therefore shall not be construed against either of the Parties in its capacity as draftsman, but in accordance with its fair meaning.

13.3 Counterparts. This Agreement shall be executed in duplicate originals, one for each Party, each of which duplicate original shall be deemed to be an original, but all of which shall constitute one and the same agreement.

13.4 Chief Engineer's Authority. The Chief Engineer shall have the authority to take all actions on behalf of the Districts in connection with any approvals, consents, or actions required of or by the Districts under this Agreement and to approve and execute minor amendments to the terms of this Agreement.

13.5 Incorporation of Recitals. The Recitals of this Agreement are incorporated herein.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the day and year above set forth.

**LOS ANGELES COUNTY WATERWORKS
DISTRICT NO. 40**

**COUNTY SANITATION DISTRICT NO. 14
OF LOS ANGELES COUNTY**

By: _____
Director of Public Works

By: _____
Chairperson, Board of Directors

**COUNTY SANITATION DISTRICT NO. 20
OF LOS ANGELES COUNTY**

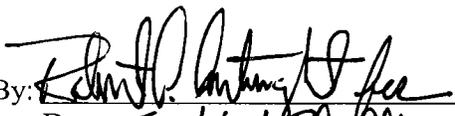
By: _____
Chairperson, Board of Directors

ATTEST:

By: _____
Secretary

APPROVED AS TO FORM:
RAYMOND G. FORTNER, JR.
County Counsel

APPROVED AS TO FORM:
LEWIS, BRISBOIS, BISGAARD, AND SMITH LLP

By: 
Deputy **Frederick Paeffle**

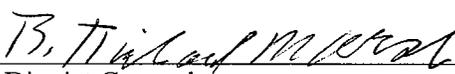
By: 
District Counsel

Exhibit A

*California Health Laws Related to Recycled Water
"The Purple Book"*

June 2001 Edition

California Health Laws Related to Recycled Water

"The Purple Book"

***Excerpts from the Health and Safety Code, Water Code,
and Titles 22 and 17 of the California Code of Regulations***

Last Update: June 2001

The document is meant to be an aid to staff of the Drinking Water Program within the Department of Health Services Division of Drinking Water and Environmental Management. It should not be relied upon by the regulated community as the State of California's representation of the law, since the published codes are the only official representations of the law.

Published codes are available on the Internet at <http://www.leginfo.ca.gov/> (statutes) and <http://ccr.oal.ca.gov/> (regulations). They are also available at law libraries -- call your County Bar Association for the nearest location.

Every effort has been made to assure the accuracy of this compilation. Readers who find an error or who are aware of an omission should contact Jeff Stone of DHS' Recycled Water Unit at jstone1@dhs.ca.gov.

CHAPTER 3 WATER RECYCLING CRITERIA
ARTICLE 1 DEFINITIONS

60301. Definitions

60301.100. Approved laboratory

"Approved laboratory" means a laboratory that has been certified by the Department to perform microbiological analyses pursuant to section 116390, Health and Safety Code.

60301.160. Coagulated wastewater

"Coagulated wastewater" means oxidized wastewater in which colloidal and finely divided suspended matter have been destabilized and agglomerated upstream from a filter by the addition of suitable floc-forming chemicals.

60301.170. Conventional treatment

"Conventional treatment" means a treatment chain that utilizes a sedimentation unit process between the coagulation and filtration processes and produces an effluent that meets the definition for disinfected tertiary recycled water.

60301.200. Direct beneficial use

"Direct beneficial use" means the use of recycled water that has been transported from the point of treatment or production to the point of use without an intervening discharge to waters of the State.

60301.220. Disinfected secondary-2.2 recycled water

"Disinfected secondary-2.2 recycled water" means recycled water that has been oxidized and disinfected so that the median concentration of total coliform bacteria in the disinfected effluent does not exceed a most probable number (MPN) of 2.2 per 100 milliliters utilizing the bacteriological results of the last seven days for which analyses have been completed, and the number of total coliform bacteria does not exceed an MPN of 23 per 100 milliliters in more than one sample in any 30 day period.

60301.225. Disinfected secondary-23 recycled water

"Disinfected secondary-23 recycled water" means recycled water that has been oxidized and disinfected so that the median concentration of total coliform bacteria in the disinfected effluent does not exceed a most probable number (MPN) of 23 per 100

milliliters utilizing the bacteriological results of the last seven days for which analyses have been completed, and the number of total coliform bacteria does not exceed an MPN of 240 per 100 milliliters in more than one sample in any 30 day period.

60301.230. Disinfected tertiary recycled water

"Disinfected tertiary recycled water" means a filtered and subsequently disinfected wastewater that meets the following criteria:

(a) The filtered wastewater has been disinfected by either:

(1) A chlorine disinfection process following filtration that provides a CT (the product of total chlorine residual and modal contact time measured at the same point) value of not less than 450 milligram-minutes per liter at all times with a modal contact time of at least 90 minutes, based on peak dry weather design flow; or

(2) A disinfection process that, when combined with the filtration process, has been demonstrated to inactivate and/or remove 99.999 percent of the plaque-forming units of F-specific bacteriophage MS2, or polio virus in the wastewater. A virus that is at least as resistant to disinfection as polio virus may be used for purposes of the demonstration.

(b) The median concentration of total coliform bacteria measured in the disinfected effluent does not exceed an MPN of 2.2 per 100 milliliters utilizing the bacteriological results of the last seven days for which analyses have been completed and the number of total coliform bacteria does not exceed an MPN of 23 per 100 milliliters in more than one sample in any 30 day period. No sample shall exceed an MPN of 240 total coliform bacteria per 100 milliliters.

60301.240. Drift

"Drift" means the water that escapes to the atmosphere as water droplets from a cooling system.

60301.245. Drift eliminator

"Drift eliminator" means a feature of a cooling system that reduces to a minimum the generation of drift from the system.

60301.250. Dual plumbed system

"Dual plumbed system" or "dual plumbed" means a system that utilizes separate piping systems for recycled water and potable water within a facility and where the recycled water is used for either of the following purposes:

- (a) To serve plumbing outlets (excluding fire suppression systems) within a building or
- (b) Outdoor landscape irrigation at individual residences.

60301.300. F-Specific bacteriophage MS-2

"F-specific bacteriophage MS-2" means a strain of a specific type of virus that infects coliform bacteria that is traceable to the American Type Culture Collection (ATCC 15597B1) and is grown on lawns of *E. coli* (ATCC 15597).

60301.310. Facility

"Facility" means any type of building or structure, or a defined area of specific use that receives water for domestic use from a public water system as defined in section 116275 of the Health and Safety Code.

60301.320. Filtered wastewater

"Filtered wastewater" means an oxidized wastewater that meets the criteria in subsection (a) or (b):

- (a) Has been coagulated and passed through natural undisturbed soils or a bed of filter media pursuant to the following:
 - (1) At a rate that does not exceed 5 gallons per minute per square foot of surface area in mono, dual or mixed media gravity, upflow or pressure filtration systems, or does not exceed 2 gallons per minute per square foot of surface area in traveling bridge automatic backwash filters; and
 - (2) So that the turbidity of the filtered wastewater does not exceed any of the following:
 - (A) An average of 2 NTU within a 24-hour period;
 - (B) 5 NTU more than 5 percent of the time within a 24-hour period; and

(C) 10 NTU at any time.

(b) Has been passed through a microfiltration, ultrafiltration, nanofiltration, or reverse osmosis membrane so that the turbidity of the filtered wastewater does not exceed any of the following:

(1) 0.2 NTU more than 5 percent of the time within a 24-hour period; and

(2) 0.5 NTU at any time.

60301.330. Food crops

"Food crops" means any crops intended for human consumption.

60301.400. Hose bibb

"Hose bibb" means a faucet or similar device to which a common garden hose can be readily attached.

60301.550. Landscape impoundment

"Landscape impoundment" means an impoundment in which recycled water is stored or used for aesthetic enjoyment or landscape irrigation, or which otherwise serves a similar function and is not intended to include public contact.

60301.600. Modal contact time

"Modal contact time" means the amount of time elapsed between the time that a tracer, such as salt or dye, is injected into the influent at the entrance to a chamber and the time that the highest concentration of the tracer is observed in the effluent from the chamber.

60301.620. Nonrestricted recreational impoundment

"Nonrestricted recreational impoundment" means an impoundment of recycled water, in which no limitations are imposed on body-contact water recreational activities.

60301.630. NTU

"NTU" (Nephelometric turbidity unit) means a measurement of turbidity as determined by the ratio of the intensity of light scattered by the sample to the intensity of incident light as measured by method 2130 B. in Standard Methods for the Examination of Water and Wastewater, 20th ed.; Eaton, A. D., Clesceri, L. S., and Greenberg, A. E., Eds; American Public Health Association: Washington, DC, 1995; p. 2-8.

60301.650. Oxidized wastewater.

"Oxidized wastewater" means wastewater in which the organic matter has been stabilized, is nonputrescible, and contains dissolved oxygen.

60301.660. Peak dry weather design flow

"Peak Dry Weather Design Flow" means the arithmetic mean of the maximum peak flow rates sustained over some period of time (for example three hours) during the maximum 24-hour dry weather period. Dry weather period is defined as periods of little or no rainfall.

60301.700. Recycled wateragency.

"Recycled water agency" means the public water system, or a publicly or privately owned or operated recycled water system, that delivers or proposes to deliver recycled water to a facility.

60301.710. Recycling plant

"Recycling plant" means an arrangement of devices, structures, equipment, processes and controls which produce recycled water.

60301.740. Regulatory Agency

"Regulatory agency" means the California Regional Water Quality Control Board(s) that have jurisdiction over the recycling plant and use areas.

60301.750. Restricted access golf course

"Restricted access golf course" means a golf course where public access is controlled so that areas irrigated with recycled water cannot be used as if they were part of a park, playground, or school yard and where irrigation is conducted only in areas and during periods when the golf course is not being used by golfers.

60301.760. Restricted recreational impoundment

"Restricted recreational impoundment" means an impoundment of recycled water in which recreation is limited to fishing, boating, and other non-body-contact water recreational activities.

60301.800. Spray irrigation

"Spray irrigation" means the application of recycled water to crops to maintain vegetation or support growth of vegetation by applying it from sprinklers.

Section 60301.830. Standby Unit Process.

"Standby unit process" means an alternate unit process or an equivalent alternative process which is maintained in operable condition and which is capable of providing comparable treatment of the actual flow through the unit for which it is a substitute.

60301.900. Undisinfected secondary recycled water.

"Undisinfected secondary recycled water" means oxidized wastewater.

60301.920. Use area

"Use area" means an area of recycled water use with defined boundaries. A use area may contain one or more facilities.

ARTICLE 2. SOURCES OF RECYCLED WATER.

60302. Source specifications.

The requirements in this chapter shall only apply to recycled water from sources that contain domestic waste, in whole or in part.

**ORDINANCE PROVIDING FOR
THE ESTABLISHMENT AND ENFORCEMENT OF
REGULATIONS FOR RECYCLED WATER USERS**

The Board of Directors of County Sanitation District No. 14 of Los Angeles County (hereinafter "District") ordains as follows:

1. AUTHORITY

This Ordinance is enacted pursuant to authority contained in the County Sanitation District Act, California Health and Safety Code Sections 4700 *et seq.*, and exercises authority conferred by law including but not limited to Division 7, Chapter 7, Article 4, Sections 13520 *et seq.* of the Water Code.

2. SHORT TITLE

This Ordinance shall be known as the **Water Recycling Ordinance** and may be cited as such.

3. PURPOSE

The purpose of this Ordinance is to provide for the establishment and enforcement of regulations pertaining to the administration of a Master Recycling Permit issued by the California Regional Water Quality Control Board, Lahontan Region ("Lahontan Regional Board") pursuant to Water Code Section 13523.1. This Ordinance will govern the use of recycled water in accordance with the Water Recycling Criteria established by the California Department of Health Services pursuant to Water Code Section 13521, and codified in Title 22, Division 4, Chapter 3 of the California Code of Regulations.

4. FINDINGS AND DETERMINATIONS

For over forty years, the County Sanitation Districts of Los Angeles County, including District No. 14, have owned and operated wastewater treatment plants capable of producing water that meets all requirements for recycled water, including but not limited to regulations and other directives issued by the California Department of Health Services and the Lahontan Regional Board.

The District is the producer of disinfected tertiary recycled water and supplies recycled water under a Master Recycling Permit to Users, including governmental agencies and private parties.

5. APPLICATION

This Ordinance shall apply to any and all Users to whom the District distributes recycled water, either directly or through an intermediate party.

6. DEFINITIONS

For purposes of this Ordinance, the following definitions shall apply to the following terms:

- a) "**Authorized Recycled Water Use Site**" is a site authorized for use of recycled water under a Master Recycling Permit. The uses of recycled water and the site location must comply with permit conditions; also referred to as "Authorized Site."
- b) "**Master Recycling Permit**" is a permit issued to a supplier or a distributor, or both, of recycled water, that includes waste discharge requirements prescribed pursuant to Section 13263 and water recycling requirements pursuant to Section 13523.1 of the Water Code.
- c) "**Person**" is any individual, partnership, corporation, governmental subdivision or unit of a governmental subdivision, or public or private organization or entity of any character.
- d) "**Recycled water**" is water which, as a result of treatment of waste, is suitable for a direct beneficial use or a controlled use that would not otherwise occur, and is therefore considered a valuable resource.
- e) "**Regional Water Quality Control Board, Lahontan Region**" is a California regional water quality control board, as specified in Water Code Section 13200, that exercises jurisdiction over the District; also referred to as "Lahontan Regional Board."
- f) "**State Water Resources Control Board**" is an agency of the state of California created by the Legislature and exercising its powers pursuant to the Porter-Cologne Water Quality Control Act, Water Code Section 13000 *et seq.*
- g) "**User**" is any person to whom the District distributes recycled water, including end users to whom recycled water is conveyed through an intermediate party.
- h) "**Water Recycling Criteria**" are the criteria established by the California Department of Health Services generally dealing with the levels of constituents of recycled water, and the means for assurance of reliability under the design concept, which will result in safe recycled water from the standpoint of public health. The criteria are established pursuant to Water Code Section 13521, and are contained in the California Code of Regulations, Title 22, Division 4, Chapter 3; also referred to as the "Uniform Statewide Reclamation Criteria."

7. ADMINISTRATION

The District shall administer this Ordinance so as to comply with the terms and conditions of its Master Recycling Permit, which requires the District to establish and enforce regulations governing the use of recycled water in accordance with the Water Recycling Criteria established by the California Department of Health Services.

8. REQUIREMENTS

A. A User who receives the District's recycled water must comply with the terms of this Ordinance and with the following requirements:

- 1) Water Recycling Criteria, as established by the California Department of Health Services, Title 22, Division 4, Chapter 3 of the California Code of Regulations;¹

¹ Available at <http://government.westlaw.com/linkedslite/default.asp?SP=CCR-1000> [as of July 13, 2006].

- 2) Requirements, rules, regulations, and/or restrictions established by the California State Water Resources Control Board;²
- 3) Requirements, rules, regulations, and/or restrictions established by the Lahontan Regional Board;³
- 4) Requirements, rules, regulations and/or restrictions within Master Recycling Permits, which are incorporated herein and made a part hereof, to the extent that they are applicable to persons subject to the Ordinance;
- 5) Requirements, rules, regulations, and/or restrictions, pertaining to the quality of recycled water, adopted by any agency maintaining jurisdiction over any person subject to this Ordinance;

A User must keep apprised of any changes to the foregoing requirements. A User must conform to any applicable changes to the requirements; a violation thereof is the User's sole responsibility. A violation of any of the foregoing requirements will constitute a violation of this Ordinance.

B. A person seeking to operate a proposed Authorized Recycled Water Use Site ("Authorized Site"), and directly receive the District's recycled water, must comply with the following:

- 1) The person must file an application therefore with the District
- 2) The person must execute a User Agreement, which includes the District's terms and conditions for use of recycled water at the Authorized Site, including information required by Water Code section 13523.1. Any violation of a User Agreement shall be a violation of this Ordinance and punishable as such.

A person seeking to operate a proposed Authorized Site, and receive the District's recycled water through an intermediary, must file an application with the intermediate party prior to any delivery of recycled water. Such application shall not be effective until it has been approved by the District.

9. ENFORCEMENT

The Chief Engineer and General Manager of the District shall administer, implement, and enforce the provisions of this Ordinance. Any powers granted to or duties imposed upon the Chief Engineer and General Manager may be delegated to persons acting in the beneficial interest of or in the employ of the District.

10. VIOLATION

A. A violation of this Ordinance shall constitute a basis for rescission of any User Agreement.

B. A violation of this Ordinance may constitute a basis for immediate cessation of recycled water delivery.

² Available at <http://www.swrcb.ca.gov/> [as of July 13, 2006].

³ Available at <http://www.waterboards.ca.gov/lahontan/> [as of July 13, 2006].

C. The Chief Engineer shall adopt notice and hearing procedures to implement this section, which shall be consistent with the rights afforded by due process.

11. VALIDITY

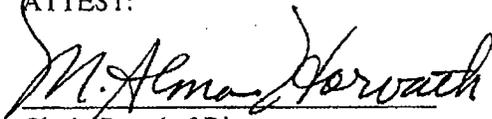
If any part, section, subsection, paragraph, sentence, clause, or phrase of this Ordinance is held invalid or unconstitutional for any reason by any court, that decision does not affect the validity or constitutionality of the remainder of this Ordinance. The Board of Directors declares that it would have adopted each provision of this Ordinance irrespective of the validity of any other provision.

PASSED, APPROVED AND ADOPTED THIS 23rd day of August 2006.



Chairperson, Board of Directors **PRO TEM**
County Sanitation District No. 14
of Los Angeles County

ATTEST:



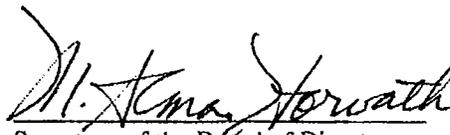
Clerk, Board of Directors
County Sanitation District No. 14
of Los Angeles County

PASSED AND ADOPTED by the Board of Directors of County Sanitation District No. 14 of Los Angeles County on August 23, 2006 by the following vote:

AYES: Directors Hearn and Antonovich

NOES: None

ABSENT: Director Ledford



Secretary of the Board of Directors
County Sanitation District No. 14
of Los Angeles County

**ORDINANCE PROVIDING FOR
THE ESTABLISHMENT AND ENFORCEMENT OF REGULATIONS
PURSUANT TO WATER RECYCLING REQUIREMENTS FOR
RECYCLED WATER USERS**

The Board of Directors of County Sanitation District No. 20 of Los Angeles County (hereinafter "District") ordains as follows:

1. AUTHORITY

This Ordinance is enacted pursuant to authority contained in the County Sanitation District Act, California Health and Safety Code Sections 4700 *et seq.*, and exercises authority conferred by law including but not limited to Division 7, Chapter 7, Article 4, Sections 13520 *et seq.* of the Water Code.

2. SHORT TITLE

This Ordinance shall be known as the **District No. 20 Recycled Water Ordinance** and may be cited as such.

3. PURPOSE

The purpose of this Ordinance is to provide for the establishment and enforcement of regulations pertaining to the administration of waste discharge requirements ("WDRs") issued by the California Regional Water Quality Control Board, Lahontan Region ("Regional Board"), pursuant to Water Code Section 13263, water reclamation requirements ("WRRs") issued pursuant to Section 13523, or a master reclamation permit ("Master Permit") issued pursuant to Section 13523.1. This Ordinance will govern the use of recycled water in accordance with the Water Recycling Criteria established by the California Department of Health Services ("DHS") pursuant to Water Code Section 13521, and codified in Title 22, Division 4, Chapter 3 of the California Code of Regulations.

4. FINDINGS AND DETERMINATIONS

For over forty years, the County Sanitation Districts of Los Angeles County have owned and operated wastewater treatment plants capable of producing water that meets all requirements for recycled water, including but not limited to regulations and other directives issued by the DHS and the Regional Board.

No person may recycle water or use recycled water until a California Regional Water Quality Control Board either establishes WDRs, WRRs, or Master Permits (collectively, "Permits") or determines that no such Permits are necessary.¹ As the producer of recycled water, the District oversees the production and use of recycled water pursuant to Permits issued by the Regional Board.

¹ California Water Code § 13524.

5. APPLICATION

This Ordinance shall apply to any and all Users to whom the District distributes recycled water, either directly or through an intermediate party, including Purveyors that act as such intermediate parties in delivering recycled water to Users.

6. DEFINITIONS

For purposes of this Ordinance, the following definitions shall apply to the following terms:

- a) "**Authorized Recycled Water Use Site**" is a site authorized for use of recycled water; the uses of recycled water and the site location must comply with Permits as issued by the Regional Board.
- b) "**Chief Engineer**" is the Chief Engineer and General Manager of the District.
- c) "**Master Reclamation Permit**" contains requirements established by the Regional Board pursuant to Water Code Section 13523.1.
- d) "**Person**" is any individual, partnership, corporation, governmental subdivision or unit of a governmental subdivision, or public or private organization or entity of any character.
- e) "**Purveyor**" is any public, private, investor-owned, or other water utility that is legally permitted to distribute water and that obtains recycled water from the District for distribution to Users.
- f) "**Recycled water**" is water which, as a result of treatment of waste, is suitable for a direct beneficial use or a controlled use that would not otherwise occur, and is therefore considered a valuable resource.
- g) "**Regulations**" are requirements established by the Chief Engineer that govern the design and construction of recycled water use facilities and the use of recycled water, in accordance with the Uniform Statewide Reclamation Criteria. These may also be called the District's "*Requirements for Recycled Water Users.*"
- h) "**State Water Resources Control Board**" is an agency of the state of California created by the Legislature and exercising its powers pursuant to the Porter-Cologne Water Quality Control Act, Water Code Section 13000 *et seq.*
- i) "**User**" is any person to whom the District distributes recycled water under the Permits issued to the District by the Regional Board, including end users to whom recycled water is conveyed through an intermediate party. User does not include persons who have been independently issued Permits from the Regional Board.
- j) "**User Agreement**" is a contractual agreement between the User and/or Purveyor and the District that establishes the conditions for recycled water service and use.
- k) "**Waste Discharge Requirements**" are requirements that are established by the Regional Board pursuant to Water Code Section 13263.
- l) "**Water Recycling Criteria**" are the criteria established by the DHS generally dealing with the levels of constituents of recycled water, and the means for assurance of reliability under the design concept, which will result in safe recycled water from the standpoint of public health. The criteria are established pursuant to Water Code Section 13521, and are contained in the California Code of Regulations, Title 22, Division 4, Chapter 3; also referred to as the "Uniform Statewide Reclamation Criteria."
- m) "**Water Recycling Requirements**" are requirements that are established by the Regional Board pursuant to Water Code section 13523.

7. **ADMINISTRATION**

The District shall administer this Ordinance so as to comply with the terms and conditions of Permits as issued by the Regional Board.

8. **REQUIREMENTS**

A. A User and/or Purveyor who receives the District's recycled water must comply with the terms of this Ordinance and with the following requirements:

- 1) Water Recycling Criteria, as established by the California Department of Health Services, Title 22, Division 4, Chapter 3 of the California Code of Regulations;
- 2) Requirements, rules, regulations, and/or restrictions established by the California State Water Resources Control Board;
- 3) Requirements, rules, regulations, and/or restrictions established by the Regional Board.
- 4) Permits issued by the Regional Board, which are incorporated herein and made a part hereof, to the extent that they are applicable to persons subject to this Ordinance;
- 5) Requirements, rules, regulations, and/or restrictions, pertaining to the quality of recycled water, adopted by any agency maintaining jurisdiction over any person subject to this Ordinance;
- 6) Regulations adopted by the Chief Engineer pursuant to Section 9 of this Ordinance.

A User and/or Purveyor must keep apprised of any changes to the foregoing requirements. A User and/or Purveyor must conform to any applicable changes to the requirements; a violation thereof is the User's and/or Purveyor's sole responsibility. A violation of any of the foregoing requirements will constitute a violation of this Ordinance.

B. A person seeking to operate a proposed Authorized Recycled Water Use Site ("Authorized Site"), and directly receive the District's recycled water, must comply with the following:

- 1) The person must file an application therefore with the District prior to using the recycled water. Persons who have already executed a User Agreement with the District are exempt from this requirement until such time as the Agreement is amended or revised.
- 2) The person must execute a User Agreement, which includes the District's terms and conditions for use of recycled water at the Authorized Site. Any violation of a User Agreement shall be a violation of this Ordinance and punishable as such. Any Person that has been a User for more than one year prior to the effective date of this Ordinance, and has otherwise been in conformance with all legal requirements and directives of the District, shall be exempt from this subparagraph (2) for a period of one year from said effective date.

A person seeking to operate a proposed Authorized Site, and receive the District's recycled water through a Purveyor, must file an application with the Purveyor prior to any delivery of recycled water. Such application shall not be effective until it has been approved by the District.

9. **ENFORCEMENT**

The Chief Engineer is granted authority to establish Regulations governing the use of recycled water as necessary, which shall be in accordance with existing law.

The Chief Engineer shall administer, implement, and enforce the provisions of this Ordinance. Any powers granted to or duties imposed upon the Chief Engineer may be delegated to persons acting in the beneficial interest of or in the employ of the District.

10. **VIOLATION**

A. Upon a written determination of the Chief Engineer that a violation of this Ordinance has occurred, such action shall constitute a basis for:

- 1) termination of any User Agreement
- 2) immediate cessation of recycled water delivery

B. The Chief Engineer shall adopt notice and hearing procedures to implement this section, which shall be consistent with the rights afforded by due process.

11. VALIDITY

If any part, section, subsection, paragraph, sentence, clause, or phrase of this Ordinance is held invalid or unconstitutional for any reason by any court, that decision does not affect the validity or constitutionality of the remainder of this Ordinance. The Board of Directors declares that it would have adopted each provision of this Ordinance irrespective of the validity of any other provision.



Chairperson, Board of Directors
County Sanitation District
No. 20 of Los Angeles County

ATTEST:



Clerk, Board of Directors
County Sanitation District
No. 20 of Los Angeles County

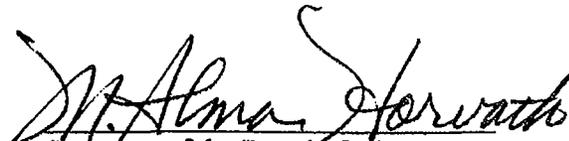
PASSED AND ADOPTED by the Board of Directors of County Sanitation District No. 20 of Los Angeles County on February 28, 2007, by the following vote:

AYES: Two (2) Directors Ledford, and Yaroslavsky

NOES: None

ABSTAIN: None

ABSENT: One (1) Director Dispenza



Secretary of the Board of Directors
County Sanitation District No. 20
of Los Angeles County

Exhibit C

Draft 14/20 –October 17, 2007

Draft Requirements for Recycled Water Users County Sanitation Districts of Los Angeles County District Nos. 14 and 20

Introduction

These Requirements for Recycled Water Users (Requirements) have been established by the Chief Engineer and General Manager of the County Sanitation Districts of Los Angeles County (Districts) in conformance with ordinances adopted on August 23, 2006 by County Sanitation District No. 14 of Los Angeles County and on February 28, 2007 by County Sanitation District No. 20 of Los Angeles County (Ordinances). The effective dates of the Ordinances are thirty days from the date of adoption. The Requirements institute regulations pertaining to the administration of waste discharge requirements (WDRs) issued to the Districts pursuant to California Water Code (Water Code) section 13263, water reclamation requirements (WRRs) issued pursuant to section 13523, or a master reclamation permit (Master Permit) issued pursuant to section 13523.1 by the California Regional Water Quality Control Board, Lahontan Region (LRWQCB).

Background

The Water Code section 13523.1(a) authorizes the issuance of Master Permits to suppliers or distributors, or both, of recycled water in lieu of issuing individual water reclamation requirements to each recycled water user. Water Code section 13523.1(b) sets forth the requirements for Master Permits issued by the Regional Water Quality Control Boards (RWQCBs), including a condition that the permittee establish and enforce rules or regulations for recycled water users governing the design and construction of recycled water use facilities and the use of recycled water, in accordance with the uniform Statewide Reclamation Criteria established pursuant to section 13521.

A Master Permit has been adopted by the LRWQCB for the Lancaster Water Reclamation Plant (WRP) (Order No. R6V-2006-0009). Should the LRWQCB issue individual WDRs or WRRs to the Districts for the use of tertiary recycled water for non-potable reuse applications from the Lancaster WRP or Palmdale WRP, it is the Districts' intent that the Requirements established herein will apply to those uses.

Findings

The Requirements are in conformance with the following:

- Provisions established by the WDRs, WRRs, or Master Permits issued by the LRWQCB to the Districts.
- Applicable portions of the Water Code, including Water Code section 13523.1.
- Applicable portions of the Health and Safety Code.
- California Code of Regulations (CCR), Title 22, Division 4, Chapter 3, Uniform Statewide Reclamation Criteria.
- CCR, Title 17, Division 1, Chapter 5, Subchapter 1, Group 4, Article 1 & 2.
- Conditions established by the County of Los Angeles Department of Public Health (LACDPH) for the use of recycled water.

The Requirements are consistent with the following:

- The Guidelines for the *Preparation of an Engineering Report for the Production, Distribution and Use of Recycled Water*, California State Department of Public Health (CDPH).
- Any measures that are deemed necessary for protection of public health, such as the American Water Works Association (AWWA) California/Nevada section, *Guidelines for the Distribution of Non-Potable Water and Guidelines for Retrofitting To Recycled Water* or alternate measures that are acceptable to CDPH.
- Relevant user manuals such as the Los Angeles County Recycled Water Advisory Committee's, 2005, *Recycled Water User Manual*.

Requirements For All Recycled Water Users

1. Definitions that Apply to These Requirements.

- 1.1. **Authorized Recycled Water Use Site** is a site authorized for use of recycled water; the uses of recycled water and the site location must comply with Permits as issued by the LRWQCB to the Districts.
- 1.2. **Direct User** is any person to whom the Districts directly distributes recycled water under the Permits issued to the Districts by the LRWQCB.
- 1.3. **Incidental Runoff** is any small amount recycled water that leaves the intended recycle water use area as a result of over-spray or leakage from sprinklers, over watering, breaks in lines or overflow of impoundments that contain recycled water during storms.
- 1.4. **Master Reclamation Permit** contains requirements established by the LRWQCB for the Districts pursuant to Water Code section 13523.1.
- 1.5. **Person** is any individual, partnership, corporation, governmental subdivision or unit of a governmental subdivision, or public or private organization or entity of any character.
- 1.6. **Purveyor** is any public, private, investor-owned, or other water utility that is legally permitted to distribute water and that obtains recycled water from the Districts for distribution to Users.
- 1.7. **Recycled water** is water which, as a result of treatment of waste, is suitable for a direct beneficial use or a controlled use that would not otherwise occur, and is therefore considered a valuable resource.
- 1.8. **User** is any person to whom the Districts distributes recycled water under the Permits issued to the Districts by the LRWQCB, including end users to whom recycled water is conveyed through an intermediate party. User does not include persons who have been independently issued Permits by the LRWQCB.
- 1.9. **User Agreement** is a contractual agreement between the User and/or Purveyor and the Districts that establishes the conditions for recycled water service and use.
- 1.10. **Waste Discharge Requirements** are requirements that are established for the Districts by the LRWQCB pursuant to Water Code section 13263.
- 1.11. **Water Recycling Criteria** are the criteria established by the CDPH generally dealing with the levels of constituents of recycled water, and the means for assurance of reliability under the design concept, which will result in safe recycled water from the standpoint of public health. The criteria are established pursuant to Water Code Section 13521, and are contained in the California Code of Regulations, Title 22, Division 4, Chapter 3; also referred to as the "Uniform Statewide Reclamation Criteria.
- 1.12. **Water Recycling Requirements** are requirements that are established for the Districts by the LRWQCB pursuant to Water Code section 13523.

2. Applicability

- 2.1. Unless otherwise stated, these Requirements shall apply to any and all Users to whom the Districts distribute tertiary recycled water, either directly or through an intermediate party. These Requirements shall also apply to Purveyors that act as intermediate parties in delivering recycled water to Users. User does not include persons who have been independently issued Permits by the LRWQCB.
- 2.2. These Requirements do not apply to the Districts, when the Districts are both the Purveyor and/or the User, receiving WDRs or WRRs issued by the LRWQCB for the use of tertiary recycled water.

3. General Prohibitions.

- 3.1. Use of recycled water for any purposes other than those explicitly approved in the currently effective User Agreement is strictly prohibited.
- 3.2. The User shall not discharge recycled water from treatment facilities, irrigation holding tanks, storage ponds, or other containment, other than for permitted reuse, except in accordance with other LRWQCB issued WDRs, WRRs or Master Permits, contingency plans authorized by the LRWQCB or for an approved discharge to a municipal sewage treatment system.
- 3.3. The User shall not create any direct connection between recycled water and potable water pipelines.

4. Process to Obtain Permission to Use Recycled Water.

- 4.1. Any User who wishes to directly receive recycled water produced by the Districts must file a User Application Form (Application) with the Districts and receive approval from the Districts in writing before the use of recycled water can begin. The Application can be obtained from the Districts.
 - 4.1.1. Users with existing User Agreements for the use of recycled water are exempt from filing an Application for sites receiving recycled water as of the effective date of the Ordinances until the User Agreement is amended or revised.
 - 4.1.1.1. Users with existing User Agreements must provide documentation to the Districts that the person or persons responsible for operation and maintenance of the reuse site and the Site Supervisor have received training, and must submit to the Districts a Recycled Water System Operations Manual that includes information on how all requirements will be met, and an Emergency Cross-Connection Response Plan.
 - 4.1.2. Any User who wishes to utilize recycled water for a use and/or a site not covered under a previously submitted Application, must file an Application with the Districts and receive approval before the use of recycled water can begin at that site.
 - 4.1.3. Users with User Agreements for the use of recycled water enacted within one year of the effective date of the Ordinances must file an Application upon written request of the Districts.
- 4.2. Any Purveyor, with a User who wishes to receive recycled water produced by the Districts through that Purveyor for a new use at an existing site or at a site not receiving recycled water as of the effective date of these Requirements, must file an Application with the Districts and receive approval from the Districts in writing before the use of recycled water can begin at that site. The Application can be obtained from the Districts.
- 4.3. The Application filed by the Purveyor shall include:
 - 4.3.1. A detailed description of the proposed recycled water use Site with: (a) a map showing the specific boundaries of the proposed Site; (b) the person or persons responsible for operation and maintenance of the site (O&M Staff), including the person designated as the Site Supervisor and contact information; (c) evidence that the O&M Staff and Site Supervisor have received appropriate training from the Districts or an equivalent training program or the date by which training will occur prior to delivery of recycled water such that the Site is operated and maintained in compliance with applicable laws and regulations, the Districts' WDRs, WRRs and Master Permits, and these Requirements; and (d) the specific use to be made of the recycled water at each Site.
 - 4.3.2. Design plans and a description of best management practices that show that the quality of waters of the State will be protected (see Requirement 6).
 - 4.3.3. Plans and specifications describing: (a) proposed piping systems to be used; (b) pipe locations for both recycled and potable systems; (c) type and location of the outlets and plumbing fixtures that will be accessible to the public; and (d) the methods and devices to be used to prevent backflow of recycled water into the potable water system.
 - 4.3.4. The date by which a Recycled Water System Operations Manual will be submitted.
 - 4.3.5. Emergency Cross-Connection Response Plan in accordance with the guidelines established by LACDPH or the date by which the Response Plan will be submitted prior to delivery of recycled water.
- 4.4. Except as provided by the Ordinances, any Direct User or Purveyor who wishes to receive recycled water produced by the Districts must enter into a User Agreement with District No. 14 or District No. 20 depending on the location of the reuse project before the use of recycled water can begin. The User Agreement shall include the Districts' terms and conditions for the use of recycled water.
- 4.5. Any User or Purveyor who wishes to receive recycled water produced by the Districts must follow the process presented in Appendix 1 that shows the various agencies involved in the process, documents that must be completed, how documents are routed, etc. Appendix 1A. outlines the process for Direct Users or Purveyors. Appendix 1B outlines the process for Users receiving water from Purveyors

5. Operational Requirements.

- 5.1. Each User shall designate a Site Supervisor who is responsible for the recycled water system at each Site under the User's control. Specific responsibilities of the Site Supervisor include the proper

- installation, operation, and maintenance of the recycled water system; compliance with the Districts' WDRs, WRRs, or Master Permits, applicable laws and regulations, health department guidelines, and these Requirements; prevention of potential hazards; coordination with the cross-connection control program; and preservation of the recycled water system in "as built" form.
- 5.2. The Site Supervisor shall receive appropriate training to assure proper operation of recycling facilities, worker protection, and compliance with all applicable laws and regulations and with the Districts' WDRs, WRRs or Master Permits and these Requirements.
 - 5.3. All recycled water facilities and control systems shall be maintained in good working order and operated as efficiently as possible to achieve compliance with all applicable laws and regulations and with the Districts' WDRs, WRRs or Master Permits and these Requirements.
 - 5.4. All persons using recycled water must be instructed of its proper use and precautions.
 - 5.5. Irrigation with disinfected tertiary recycled water shall not take place within 50 feet of any domestic water supply well.
 - 5.6. Impoundment of disinfected tertiary recycled water shall not occur within 100 feet of any domestic water supply well.
 - 5.7. No irrigation shall take place within 50 feet of any uncovered reservoir or stream currently used as a source of domestic water.
 - 5.8. All recycled water impoundments shall be adequately protected from erosion, washout and flooding from a 24-hour rainfall event having a predicted frequency of once in 100 years.
 - 5.9. Except as allowed under CCR, Title 17, section 7604, no physical connection shall be made nor shall a connection be allowed to exist between any recycled water system and potable water system.
 - 5.10. An initial cross-connection test shall be conducted in accordance with the requirements of LACDPH to determine if there are any unknown connections between potable piping and existing piping to be used for recycled water prior to construction of retrofit work.
 - 5.11. Prior to connection with the recycled water distribution system, a final cross-connection test shall be performed in accordance with the requirements of LACDPH to verify that construction or retrofit work was performed correctly.
 - 5.12. A cross-connection test shall be performed as necessary to ensure the absolute separation of the recycled water system and potable water system is in accordance with the requirements of LACDPH. Such tests shall be performed following any significant modifications to the recycled water system or potable water system, construction of new buildings, or any activity that may impact, or has impacted these systems.
 - 5.13. Cross-connection testing shall be performed by a specialist who has been certified by AWWA or a group with equivalent certification requirements.
 - 5.14. The potable water supply shall not be used as a backup or supplemental source of water for a recycled water system unless the connection between the two systems is protected by an air gap separation which complies with the requirements of CCR, Title 17, section 7602, Subdivision (a) and CCR, Title 17, section 7603, Subdivision (a), and that such connection has been approved by CDPH and/or its delegated local agency.
 - 5.15. Any backflow prevention device installed to protect the potable water system shall be annually inspected and maintained in accordance with CCR, Title 17, section 7605.
 - 5.16. Backflow inspections shall be conducted by a person who has demonstrated competency in testing to the User, Purveyor or LACDPH.
 - 5.17. Hose bibs shall not be used in the recycled water system. Quick couplers that are different from that used on the potable water system may be used. The only exception for the prohibition for hose bibs is for use sites for which there is restricted public access.
 - 5.18. All recycled water piping and appurtenances in new installations and appurtenances in retrofit installations shall be colored purple or distinctively wrapped with purple tape in accordance with Health and Safety Code section 116815 and the requirements of LACDPH.
 - 5.19. All sites shall be designed and operated to prevent direct human consumption of recycled water, or use of recycled water for processing of food or drink intended for human consumption. Conspicuous signs shall be posted (in a size no less than 4 inches high by 8 inches wide) that include the following wording: "RECYCLED WATER – DO NOT DRINK" where recycled water could potentially be accessed for human consumption. Each sign shall display an international symbol similar to that

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shown in Figure 60310-A of CCR, Title 22, section 60310, Subdivision (g). The sign(s) shall be of a size easily readable by the public. The prescribed wording should also be translated into Spanish and other appropriate languages and included in the required signs.

- 5.20. The User's operation and maintenance staff and Site Supervisor shall receive appropriate training to assure proper operation of recycling facilities, worker protection, and compliance with applicable laws and regulations and with the Districts' WDRs, WRRs or Master Permits and these Requirements.
- 5.21. Each User shall demonstrate to the Districts the means by which all applicable use area requirements as specified in the Districts' WDRs, WRRs or Master Permits and these Requirements will be complied with.
- 5.22. Vehicles used for distributing recycled water for soil compaction and dust control or other uses shall be provided with an adequate tank and plumbing systems to ensure that leaks and ruptures will not occur in the course of normal use.
 - 5.22.1. Control valves shall be provided such that recycled water can be applied in a controlled fashion on the approved use area and completely retained during transit to all other areas.
 - 5.22.2. Spray heads or nozzles shall be provided and configured in such a way that the recycled water is applied to prevent runoff, ponding, or windblown spray conditions.
 - 5.22.3. Each tank shall be equipped with an approved air-gap separation between the filler tube and the tank to prevent back-siphonage. The water truck shall be clearly labeled *RECYCLED WATER - DO NOT DRINK*.
 - 5.22.4. Each tank used to store and/or transport recycled water must be flushed and disinfected before being used to store and/or transport recycled water.

6. Best Management Practices (BMPs) for Irrigation.

- 6.1. Sites shall be designed and operated using best management practices (BMPs) to protect waters of the state and prevent public contact with recycled water.
 - 6.1.1. The BMPs shall be designed to prevent recycled water spray, mist, or surface flow from either leaving the Site and reaching or visibly wetting: (a) any perennial surface waters located adjacent to the Site; (b) areas where the public has access (e.g., dwellings, designated outdoor eating areas, or food handling facilities); and (c) drinking fountains unless specifically protected with a shielding device; or adjoining property.
 - 6.1.2. The BMPs shall include, but not be limited to: (a) use of buffer zones; (b) discontinuation of application of recycled water during precipitation events, which are of sufficient magnitude to generate surface flow or significant ponding within the Site; (c) use of devices that protect drinking water fountains against contact with recycled water spray, mist, or surface flow; and (d) irrigation with recycled water during periods of minimal human use of the irrigated area and timing of irrigation to allow an adequate dry-out time before the irrigated area will be used by the public.
 - 6.1.3. Any storage facility or impoundment containing recycled water for reuse applications shall be managed in a manner to control odors, nuisance conditions or vectors such as mosquitoes. Should such problems develop, a management plan shall be devised and implemented to monitor, correct, and control future occurrences.
- 6.2. Sites shall be designed and operated using BMPs so that:
 - 6.2.1. The application of recycled water occurs at agronomic rates whereby irrigation does not promote downward migration of salts (including nitrates), which could unreasonably affect present and anticipated beneficial uses of water, or result in water quality less than that prescribed in water quality control plans or policies.
 - 6.2.2. To demonstrate whether irrigation is at agronomic rates, the User shall provide information to the Districts including a tabular comparison of the volume of water required for plant growth in the landscape area to the volume of recycled water (and supplemental water) applied to the area.
 - 6.2.3. Adequate erosion control is implemented so that soil is not released into storm water runoff or surface waters.
 - 6.2.4. Fertilizer application:

- 6.2.4.1. Does not unreasonably affect present and anticipated beneficial uses of water, or result in water quality less than that prescribed in water quality control plans or policies.
- 6.2.4.2. Must occur at agronomic rates. To demonstrate whether fertilizer application is at agronomic rates, the User shall provide information to the Districts including a tabular comparison of the amount of fertilizer needed for plant growth in the landscape area to the amount applied to the area.
- 6.2.4.3. Must only occur if the levels of nitrogen in the recycled water are not sufficient for plant growth. If levels are not sufficient, the Site Supervisor shall calculate how much fertilizer needs to be applied by subtracting the level in recycled water from the level needed for plant growth.

7. Inspections and Site Access.

- 7.1. The Purveyor shall conduct periodic site inspections and prepare a site compliance inspection report for each inspection.
 - 7.1.1. Inspections must be conducted at a minimum once every three years per site or more frequently at the request of the Districts.
 - 7.1.2. The inspector shall immediately notify the Site Supervisor of violation(s) identified during inspections and what corrective actions must be taken.
 - 7.1.3. The inspection report shall be signed and dated by both the Site Supervisor and the inspector and provided to the Districts within 30 days following the end of the quarter in which the inspection was conducted.
 - 7.1.4. Copies of the reports shall be maintained on file by the Site Supervisor.
- 7.2. The User shall allow an authorized representative of any of the following agencies the right to enter, inspect the use Site, and conduct testing upon presentation of proper credentials: the Districts, LRWQCB, CDPH, and LACDPH.
- 7.3. In cooperation with the User or Purveyor, the Districts will make periodic inspections of the Site.
- 7.4. The Purveyor shall notify the Districts by electronic means at least one week prior to conducting a site inspection.

8. Corrective Action.

- 8.1. The Site Supervisor shall immediately initiate corrective action to eliminate violation of any applicable laws or regulations, or the Districts' WDRs, WRRs or Master Permits, or these Requirements.
- 8.2. Verification of corrective action must be made by Purveyor within 90 days of the initial inspection and reported to the Districts.
- 8.3. In the event of contamination of a potable water system due to a cross-connection with the recycled water system, the Site Supervisor shall immediately invoke the Emergency Cross-Connection Response Plan and make the appropriate notifications pursuant to Section 9.1.

9. Notifications and Reporting.

- 9.1. Upon being notified or determining that one of the following events has occurred, the Site Supervisor shall immediately notify the Districts by telephone, and the LRWQCB, DPH and LACDPH) by telephone or electronic means upon knowledge if any of the following events occur. Information provided shall include the date and time the spill began and ended, the location of the spill, if the spill entered a storm drain or receiving water, the estimated volume of the spill or flow if the spill is ongoing, the estimated time of repair, the cause of the spill, the agencies involved with repair and clean-up, and corrective actions taken or plans for corrective actions. Written confirmation must be provided to all agencies within 3 business days.
 - 9.1.1. There is a complaint (or other source of information) concerning recycled water use that may involve illness.
 - 9.1.2. An unauthorized discharge of more than 50,000 gallons of tertiary treated recycled water.
 - 9.1.3. The potable water system has been contaminated due to a cross-connection with recycled water and the Emergency Cross-Connection Response Plan has been activated.
 - 9.1.4. Any incidence of backflow from the recycled water system into the potable water system.

- 9.2. Any spills or other release of recycled water from a use site other than incidental runoff shall be reported to the Districts immediately upon knowledge of the event, including, but not limited to, breaks in the recycled water irrigation or distributions systems. The reports shall be made by telephone and shall include information on when and where the spill or release of recycled water occurred and the volume of the spill or release. Written confirmation shall be provided within 3 business days from the date of notification.
- 9.3. The Site Supervisor shall notify the Districts by telephone or electronic means upon knowledge of any noncompliance of applicable laws and regulations and the Districts' WDRs, WRRs or Master Permits and these Requirements. Written confirmation shall be provided within 3 business days from the date of notification. The Site Supervisor shall take corrective action to rectify those noncompliant conditions and provide documentation to the Districts that the corrections have been made.
- 9.4. The User or Purveyor shall provide information as requested by the Districts in order for the Districts to comply with the Monitoring and Reporting Requirements issued by the LRWQCB.
- 9.5. If someone other than the User is responsible for applying the recycled water, e.g., a truck hauler, then the User shall inform them of these Requirements in a written permit or other suitable manner.
- 9.6. The Site Supervisor is required to provide the Districts with an address and phone number(s) where he or she can be contacted at all times. The Site Supervisor is responsible for maintaining current pertinent information regarding the recycled water use Site and Districts' contacts.
- 9.7. The Districts shall be notified of any proposed changes in the individual designated as the Site Supervisor in writing.
- 9.8. The Districts shall be notified of any planned modifications or additions to the recycled water system in writing. Any proposed significant modifications or additions to the irrigation system should be reviewed and approved by the Districts before being made.

10. Record Keeping.

- 10.1. Current as-built drawings and other design plans of the recycled water system and potable water system and any forms or reports as required by the Districts including, but not limited to, inspection reports, cross-connection tests, etc. shall be maintained.
- 10.2. A copy of these Requirements, the WDRs, WRRs and/or Master Permits, Monitoring and Reporting Programs, and Recycled Water System Operations Manual shall be maintained so that they are available to operating personnel at all times.
- 10.3. For each site, the Purveyor User must keep operation and maintenance logs that are available to the Districts. The logs shall include information specified by the Districts in the approval letter, such as the monthly volumes of recycled water used at each site and the dates of inspections and cross-connection and backflow prevention testing.

Appendix 1

A. Process to Obtain Permission to Use Recycled Water for Direct Users or Purveyors

Process	Applicable Recycled Water Program Document or Actions Required	Responsible Entity
Step 1 – Consult with Districts and review Recycled Water Users Handbook	Districts' Recycled Water Users Handbook	Direct User or Purveyor
Step 2 - Prepare draft plans and specifications	California Department of Public Health (CDPH) requirements in California Code of Regulations (CCR) Title 17 and 22, Los Angeles County Department of Public Health (LACDPH) Guidelines	Direct User or Purveyor
Step 3 - Submit Application for recycled water use	Districts' User Application Form	Direct User or Purveyor
Step 4 - Identify distribution issues, verify allowed uses, estimate quantity of water and delivery schedule	Verification of information provided in the Application Form Send conditional approval in writing with caveat that project commencement is contingent upon Direct User or Purveyor receiving all regulatory approvals	Districts
Step 5 - Draft User Agreement or amendment (if site is not covered under existing agreement)	Districts' User Agreement	Districts / Direct User or Purveyor
Step 6 - Approve User Agreement or Amendment	Present Agreement or Amendment to Districts' Board and governing body of Direct User or Purveyor for approval	Districts / Direct User or Purveyor
Step 7 – Complete California Environmental Quality Act (CEQA) Process	Make sure there is proper CEQA documentation for the site	Direct User or Purveyor
Step 8 – Consult with health agencies (recommended)	Describe project and show draft plans to CDPH and LACDPH	Direct User or Purveyor
Step 9 – Finalize and submit plans and specifications	Plans and specifications submitted to LACDPH; LACDPH Cross-Connection Plan Approval Application and fee	Direct User or Purveyor
Step 10 - Provide materials and/or training to User on proper operation of a recycled water system	Districts' Recycled Water Users Handbook to be provided by Districts; training to be provided by Districts and/or Purveyor (or an other equivalent program can be substituted)	Districts or Purveyor
Step 11 – Consult with Lahontan Regional Water Quality Control Board (LRWQCB) (recommended)	Describe project and discuss Engineering Report needs	Direct User or Purveyor
Step 12 – Final plans and specifications	Obtain approval of final plans and specifications from LACDPH	Direct User or Purveyor
Step 13 – Prepare Engineering Report	CDPH Guidelines for Preparation of an Engineering Report for the Production,	Direct User or Purveyor and Districts

Process	Applicable Recycled Water Program Document or Actions Required	Responsible Entity
	<i>Distribution and Use of Recycled Water</i> [†] ; Districts' information on water reclamation plants; Direct User or Direct User or Purveyor completes the Engineering Report; the Districts provide information related to treatment facilities; the report must be prepared and stamped by a professional engineer registered in California	
Step 14 – Submit Engineering Report to CDPH and LRWQCB, with copy to Districts	Completed Engineering Report	Direct User or Purveyor
Step 15 – If applicable, submit revised Engineering Report, with copy to Districts	Revisions/additional information may be requested by CDPH and/or the LRWQCB	Direct User or Purveyor
Step 16 – Authorization of project under existing or new LRWQCB permit	Letter or permit	LRWQCB; possibly CDPH and/or LACDPH
Step 17 – Notify Districts of Final Regulatory Approvals	Direct User or Purveyor sends copy of LRWQCB letter or permit to Districts and any other applicable CDPH or LACDPH documents	Direct User or Purveyor
Step 18 – Pre- and post-construction inspections	Contact LACDPH prior to construction to arrange for site inspections, initial cross-connection and backflow prevention device testing; LACDPH Guidelines and Recycled Water System Inspection Report	Direct User or Purveyor
Step 19 – Approval of final construction	By LACDPH	Direct User or Purveyor
Step 20 – Begin project implementation		Direct User or Purveyor
Step 21 – Submit revised as-built drawings of recycled water distribution system if necessary	Must be provided to LACDPH and Districts if any modifications have been made to original drawings	Direct User or Purveyor

[†] <http://www.dhs.ca.gov/ps/ddwem/waterrecycling/PDFs/ERGUIDE2001.PDF>

B. Process to Obtain Permission to Use Recycled Water for Users Receiving Water From Purveyors

Process	Applicable Recycled Water Program Document or Actions Required	Responsible Entity
Step 1 – Consult with Purveyor and review Recycled Water Users Handbook	Districts' Recycled Water Users Handbook	User and Purveyor
Step 2 – Prepare draft plans and specifications	California Department of Health Services (CDPH) requirements in California Code of Regulations (CCR) Title 17 and 22 [‡] , Los Angeles County Department of Public Health (LACDPH) Guidelines	User or Purveyor
Step 3 – Request for recycled water service	Use recycled water Purveyor's application process	User
Step 4 – Submit Application for recycled water use to Districts	Districts' User Application Form	Purveyor
Step 5 – Identify distribution issues, verify allowed uses, estimate quantity of water and delivery schedule	Verification of information provided in the Districts' User Application Form Send conditional approval in writing with caveat that project commencement is contingent upon Direct User or Purveyor receiving all regulatory approvals	Districts
Step 6 – Draft User Agreement or amendment (if site is not covered under existing agreement)	Districts' User Agreement or Amendment	Districts / Purveyor
Step 7 – Approve User Agreement or Amendment	Present Agreement or Amendment to Districts' Board and governing body of Purveyor for approval	Districts / Purveyor
Step 8 – Draft contract or amendment or other legal control mechanism (if site is not covered under existing contract or control mechanism)	Contract, contract amendment, or control mechanism between Purveyor and User	Purveyor and User
Step 9 – Approve contract or amendment or other legal control mechanism (if site is not covered under existing contract or control mechanisms)	Purveyor and User authorize contract, contract amendment, or control mechanism	Purveyor and User
Step 10 – Complete California Environmental Quality Act (CEQA) Process	Make sure there is proper CEQA documentation for the site	Purveyor and User
Step 11 – Consult with health agencies (recommended)	Describe project and show draft plans to CDPH and LACDPH	Purveyor
Step 12 – Finalize and submit plans and specifications	Plans and specifications submitted to LACDPH; LACDPH Cross-Connection Plan Approval Application and fee	Purveyor
Step 13 – Provide materials and/or	Districts' Recycled Water Users	Purveyor

[‡] <http://www.dhs.ca.gov/ps/ddwem/waterrecycling/PDFs/purplebookupdate6-01.PDF>

Process	Applicable Recycled Water Program Document or Actions Required	Responsible Entity
training to User on proper operation of a recycled water system	Handbook and training to be provided by Purveyor (the Districts' training program or another equivalent program can be substituted)	
Step 14 – Consult with Lahontan Regional Water Quality Control Board (LRWQCB) (<i>recommended</i>)	Describe project and discuss Engineering Report needs	Purveyor
Step 15 – Final plans and specifications	Obtain approval of final plans and specifications from LACDPH	Purveyor
Step 16 – Prepare Engineering Report	CDPH <i>Guidelines for Preparation of an Engineering Report for the Production, Distribution and Use of Recycled Water</i> [§] ; Districts' information on water reclamation plants; Purveyor completes the Engineering Report; the Districts provide information related to treatment facilities; the report must be prepared and stamped by a professional engineer registered in California	Purveyor and Districts
Step 17 – Submit Engineering Report to CDPH, and LRWQCB, with copy to Districts	Completed Engineering Report	Purveyor
Step 18 – If applicable, submit revised Engineering Report, with copy to Districts	Revisions/additional information may be requested by CDPH and/or the LRWQCB	Purveyor
Step 19 – Authorization of project under existing or new LRWQCB permit	Letter or permit	LRWQCB; possibly CDPH and/or LACDPH
Step 20 – Notify Districts of Final Regulatory Approvals	Purveyor sends copy of LRWQCB letter or permit to Districts and any other applicable CDPH or LACDPH documents	Purveyor
Step 21 – Pre- and post-construction inspections	Contact LACDPH prior to construction to arrange for site inspections, initial cross-connection and backflow prevention device testing; LACDPH <i>Guidelines and Recycled Water System Inspection Report</i>	Purveyor
Step 22 – Approval of final construction	By LACDPH	Purveyor
Step 23 – Begin project implementation		Purveyor and User
Step 24 – Submit revised as-built drawings of recycled water distribution system if necessary	Must be provided to LACDPH and Districts if any modifications have been made to original drawings	Purveyor

[§] <http://www.dhs.ca.gov/ps/ddwem/waterrecycling/PDFs/ERGUIDE2001.PDF>